



General Assembly

January Session, 2001

**Committee Bill No. 6365**

LCO No. 4731

Referred to Committee on Environment

Introduced by:  
(ENV)

**AN ACT CONCERNING CLEAN AIR STANDARDS FOR CERTAIN  
POWER PLANTS.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

- 1       Section 1. (NEW) As used in sections 1 to 14, inclusive, of this act:
- 2       (1) "Electricity generation facility" means any individual fuel  
3       burning unit in this state, used to generate electricity, that: (1) Was  
4       built prior to 1977, (2) has the installed capacity to generate greater  
5       than twenty-five megawatts, and (3) generates electricity for wholesale  
6       or retail sale through the combustion of fossil fuels.
- 7       (2) "Power generation company" means an electricity generation  
8       facility owner.
- 9       (3) "Projected noncomplying electric generation facility" means an  
10      electric generation facility that cannot meet the sulfur dioxide emission  
11      standard by December 31, 2004.
- 12      Sec. 2. (NEW) (a) On and after January 1, 2004, any electricity  
13      generation facility in this state shall comply with the following  
14      limitations regarding the rate of emission of the following substances:

15 (1) For nitrogen oxides, not more than fifteen one-hundredths pounds  
16 per million British thermal units of heat input, and (2) for sulfur  
17 dioxides, not more than thirty one-hundredths pounds per million  
18 British thermal units of heat input. Such limitations shall be met year-  
19 round by such facility and on site at each facility through (A) capacity  
20 restrictions, (B) capital improvements, (C) retirement, (D) fuel  
21 switching, or (E) operational changes. Notwithstanding any other  
22 section of the general statutes, such facility shall not meet these  
23 emissions limitations through the use of nitrogen oxide discrete  
24 emission reduction credits as defined in the Regulations of Connecticut  
25 State Agencies section 22a-174-19a, or nitrogen oxide allowances as  
26 described in the Regulations of Connecticut State Agencies section 22a-  
27 174-19a, or by using sulfur dioxide discrete emission reduction credits  
28 as defined in the Regulations of Connecticut State Agencies section  
29 22a-174-19a, or sulfur dioxide allowances, as defined in the  
30 Regulations of Connecticut State Agencies section 22a-174-19a.

31 (b) The Commissioner of Environmental Protection shall monitor  
32 such facilities and shall enforce the provisions of this section. Each  
33 calendar quarter, such facility shall submit to the commissioner stack  
34 test data regarding the emissions limitations provided in subsection (a)  
35 of this section.

36 Sec. 3. (NEW) On or before December 31, 2002, power generation  
37 companies shall notify the Department of Environmental Protection,  
38 the Department of Public Utility Control and the Chief Elected Official  
39 of the community in which any projected non-complying electric  
40 generation facility is located, of any plants that will not be able to fully  
41 comply with on-site emissions limitations in section 2 of this act by  
42 January 1, 2004, and the reasons for not being able to fully comply.  
43 Such notification to the Department of Environmental Protection shall  
44 include an application to the Commissioner Of Environmental  
45 Protection for an extension until December 31, 2004, to fully comply  
46 with the emissions limitations of this act. Such application shall be on a  
47 form prescribed by the commissioner, and shall include a finding from

48 the Department of Public Utility Control that on-site compliance with  
49 the emissions limitations in this act is very likely to jeopardize electric  
50 supply in the state. Within one month of receiving such application,  
51 the Commissioner of Environmental Protection shall hold a public  
52 hearing in the town in which such non-complying electric generation  
53 facility is located. Power generation companies that are granted an  
54 extension until December 31, 2004, to fully comply with the emissions  
55 limitations of this act shall notify the Department of Environmental  
56 Protection, the Department of Public Utility Control and the Chief  
57 Elected Official of the community in which any projected non-  
58 complying electric generation facility is located, of any plants that will  
59 not be able to fully comply with on-site emissions limitations in section  
60 2 of this act by December 31, 2004, and the reasons therefore. Power  
61 generation companies may not apply for more than one one-year  
62 extension.

63 Sec. 4. (NEW) On and after January 1, 2004, power generation  
64 companies that do not meet the emissions limitations in section 2 of  
65 this act shall state the following in the "generation services" line on  
66 each customer energy bill: "THIS POWER SUPPLIER DOES NOT  
67 MEET ALL CONNECTICUT CLEAN AIR STANDARDS"

68 Sec. 5. (NEW) On and after January 1, 2004, power generation  
69 companies that do not meet the emissions limitations in section 2 of  
70 this act shall be subject to an emissions tonnage cap. Said cap shall be  
71 calculated based upon the five-year average megawatt generation of  
72 the previous five representative years, except that if the electric  
73 generation in any one year exceeded the electric generation of the  
74 preceding and subsequent three years by more than fifteen per cent,  
75 that generation year shall be deemed to be non-representative of the  
76 usual generation capacity of that power generation facility for the  
77 purposes of establishing a generation average on which to calculate the  
78 emissions tonnage cap in accordance with this section of this act.

79 Sec. 6. (NEW) In furtherance of the economic development of the

80 state, the Department of Economic and Community Development may  
81 provide financial assistance pursuant to sections 32-220 to 32-235,  
82 inclusive, of the general statutes to a Title IV source that is an affected  
83 unit for the installation of pollution control equipment, fuel switching,  
84 and the purchase of liquid or gaseous fuels that possess a fuel sulfur  
85 limit of equal to or less than 0.3 per cent sulfur, by weight (dry basis).

86 Sec. 7. Subsection (b) of section 12-587 of the general statutes is  
87 repealed and the following is substituted in lieu thereof:

88 (b) (1) Except as otherwise provided in subdivision (2) of this  
89 subsection, any company which is engaged in the refining or  
90 distribution, or both, of petroleum products and which distributes  
91 such products in this state shall pay a quarterly tax on its gross  
92 earnings derived from the first sale of petroleum products within this  
93 state. Each company shall on or before the last day of the month next  
94 succeeding each quarterly period render to the commissioner a return  
95 on forms prescribed or furnished by the commissioner and signed by  
96 the person performing the duties of treasurer or an authorized agent or  
97 officer, including the amount of gross earnings derived from the first  
98 sale of petroleum products within this state for the quarterly period  
99 and such other facts as the commissioner may require for the purpose  
100 of making any computation required by this chapter. Except as  
101 otherwise provided in subdivision (3) of this subsection, the rate of tax  
102 shall be five per cent.

103 (2) Gross earnings derived from the first sale of the following  
104 petroleum products within this state shall be exempt from tax: (A) Any  
105 petroleum products sold for exportation from this state for sale or use  
106 outside this state; (B) the product designated by the American Society  
107 for Testing and Materials as "Specification for Heating Oil D396-69",  
108 commonly known as number 2 heating oil, to be used exclusively for  
109 heating purposes or to be used in a commercial fishing vessel, which  
110 vessel qualifies for an exemption pursuant to section 12-412; (C)  
111 kerosene, commonly known as number 1 oil, to be used exclusively for

112 heating purposes, provided delivery is of both number 1 and number 2  
113 oil, and via a truck with a metered delivery ticket to a residential  
114 dwelling or to a centrally metered system serving a group of  
115 residential dwellings; (D) the product identified as propane gas, to be  
116 used exclusively for heating purposes; (E) bunker fuel oil, intermediate  
117 fuel, marine diesel oil and marine gas oil to be used in any vessel  
118 having a displacement exceeding four thousand dead weight tons; (F)  
119 for any first sale occurring prior to January 1, 2000, propane gas to be  
120 used as a fuel for a motor vehicle; (G) for any first sale occurring on or  
121 after July 1, 2002, grade number 6 fuel oil, as defined in regulations  
122 adopted pursuant to section 16a-22c, to be used exclusively by a  
123 company which, in accordance with census data contained in the  
124 Standard Industrial Classification Manual, United States Office of  
125 Management and Budget, 1987 edition, is included in code  
126 classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in the  
127 North American Industrial Classification System United States  
128 Manual, United States Office of Management and Budget, 1997 edition;  
129 [or] (H) for any first sale occurring on or after July 1, 2002, number 2  
130 heating oil to be used exclusively in a vessel primarily engaged in  
131 interstate commerce, which vessel qualifies for an exemption under  
132 section 12-412; or (I) for any first sale occurring on or after October 1,  
133 2001, liquid fuel that possesses a fuel sulfur limit equal to or lesser than  
134 0.3 per cent sulfur by weight (dry basis).

135 (3) The rate of tax on gross earnings derived from the first sale of  
136 grade number 6 fuel oil, as defined in regulations adopted pursuant to  
137 section 16a-22c, to be used exclusively by a company which, in  
138 accordance with census data contained in the Standard Industrial  
139 Classification Manual, United States Office of Management and  
140 Budget, 1987 edition, is included in code classifications 2000 to 3999,  
141 inclusive, or in Sector 31, 32 or 33 in the North American Industrial  
142 Classification System United States Manual, United States Office of  
143 Management and Budget, 1997 edition, or number 2 heating oil used  
144 exclusively in a vessel primarily engaged in interstate commerce,  
145 which vessel qualifies for an exemption under section 12-412 shall be:

146 (A) Four per cent with respect to calendar quarters commencing on or  
147 after July 1, 1998, and prior to July 1, 1999; (B) three per cent with  
148 respect to calendar quarters commencing on or after July 1, 1999, and  
149 prior to July 1, 2000; (C) two per cent with respect to calendar quarters  
150 commencing on or after July 1, 2000, and prior to July 1, 2001; and (D)  
151 one per cent with respect to calendar quarters commencing on or after  
152 July 1, 2001, and prior to July 1, 2002.

153 Sec. 8. Section 22a-174 of the general statutes is amended by adding  
154 subsection (o) as follows:

155 (NEW) (o) The commissioner shall adopt regulations, in accordance  
156 with the provisions of chapter 54 of the general statutes, that  
157 specifically expedite the permit procedures and timeline for  
158 modifications, including, but not limited to, the installation of  
159 pollution control equipment and repowering of Title IV sources that  
160 are affected units.

161 Sec. 9. Subsection (d) of section 16-50k of the general statutes is  
162 repealed and the following is substituted in lieu thereof:

163 (d) This chapter shall apply to any facility described in subdivisions  
164 (1) to (3), inclusive, of subsection (a) of section 16-50i, the construction  
165 of which is commenced on or after April 1, 1972, and to any such  
166 facility the construction of which is approved by a municipality that  
167 has commenced the sale of bonds or bond anticipation notes on or  
168 after April 1, 1972, the proceeds or part of the proceeds of which are to  
169 finance such construction. This chapter shall apply to any facility  
170 described in subdivision (4) of said subsection (a) of section 16-50i, the  
171 construction of which is commenced on or after July 1, 1983, and to  
172 any such facility the construction of which is approved by a  
173 municipality that has commenced the sale of bonds or bond  
174 anticipation notes on or after July 1, 1983, the proceeds or part of the  
175 proceeds of which are to finance such construction. This chapter shall  
176 apply to any facility described in subdivisions (5) and (6) of said  
177 subsection, the construction of which is commenced on or after

178 October 1, 1977, and to any such facility the construction of which is  
179 approved by a municipality that has commenced the sale of bonds or  
180 bond anticipation notes on or after October 1, 1977, the proceeds or  
181 part of the proceeds of which are to finance such construction. This  
182 chapter shall apply to the modification of a facility described in  
183 subdivisions (1) to (3), inclusive, of said subsection (a) for which  
184 construction is commenced on or after April 1, 1972, modifications of a  
185 facility described in subdivision (4) of said subsection (a) for which  
186 construction is commenced on or after July 1, 1983, and modifications  
187 of a facility described in subdivisions (5) and (6) of said subsection (a)  
188 of section 16-50i, for which construction is commenced on or after  
189 October 1, 1977, whenever such modification either alone or in  
190 combination with existing or other proposed facility modifications  
191 may, as determined by the council, have a substantial adverse  
192 environmental effect. This chapter shall not apply to any matter over  
193 which any agency, department or instrumentality of the federal  
194 government has exclusive jurisdiction, or has jurisdiction concurrent  
195 with that of the state and has exercised such jurisdiction, to the  
196 exclusion of regulation of such matter by the state. Notwithstanding  
197 the provisions of this chapter, this chapter does not apply to any  
198 modification, including, but not limited to, the installation of pollution  
199 control equipment or repowering, of any Title IV source that is an  
200 affected unit, as defined in section 1 of this act, provided that such  
201 modification shall be subject to the permit requirements established  
202 pursuant to section 5 of this act.

203 Sec. 10. Section 12-81 of the general statutes is amended by adding  
204 subdivision (76) as follows:

205 (NEW) (76) New machinery and equipment used directly in the  
206 elimination or control of emissions by a Title IV source that is an  
207 affected unit, as defined in section 1 of this act.

208 Sec. 11. Section 16-244c of the general statutes is amended by adding  
209 subsection g as follows:

210 (NEW) (g) Notwithstanding any provision of the general statutes to  
 211 the contrary, no owner or operator of an affected unit, as defined in  
 212 section 1 of this act, may bid on default electric service when such  
 213 owner or operator is found to have violated on more than one occasion  
 214 the sulfur dioxide emissions standards, as established in section 22a-  
 215 174-19a of the Regulations of Connecticut State Agencies ,or the  
 216 nitrogen oxides emissions standards as established in section 22a-174-  
 217 22 of the Regulations of Connecticut State Agencies.

218 Sec. 12. (NEW) On January 1, 2002, and January 1 of each year  
 219 thereafter, the Department of Public Utility Control shall, in  
 220 accordance with section 11-4a of the general statutes, provide the  
 221 General Assembly with a report on the status of demand, supply, and  
 222 reserves of electric power available to the state, including a projection  
 223 of future demands, supply and reserves for each of the next five years,  
 224 as measured from the date of the report.

225 Sec. 13. The sum of \_\_\_\_ is appropriated from the General Fund, for  
 226 the fiscal year ending June 30, 2001, to the Department of  
 227 Environmental Protection for the purpose of providing grants-in-aid to  
 228 Title IV sources that are affected units to purchase liquid or gaseous  
 229 fuels that possess a fuel sulfur limit of equal to or less than 0.3 per cent  
 230 sulfur, by weight (dry basis).

231 Sec. 14. This act shall take effect from its passage.

**Statement of Purpose:**

To establish emission standards for certain power plants.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: REP. CARUSO, 126th Dist.; REP. O'ROURKE, 32nd Dist.  
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